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I N   A S S E M B L Y

June 18, 2012

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Introduced by COMMITTEE ON RULES -- (at request of M. of A. Thiele) --  
read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law and the tax law, in relation  
to reinstating the "Middle Class STAR" rebate program

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The real property tax law is amended by adding a new  
2     section 1306-b to read as follows:  
3     S 1306-B. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. TAX REBATES. (A) FOR  
4     THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR AND EACH YEAR  
5     THEREAFTER IF A PARCEL IS ENTITLED TO THE ENHANCED STAR EXEMPTION  
6     AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER, A LOCAL  
7     PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR OWNERS OF SUCH  
8     PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH YEAR, IN AN AMOUNT  
9     COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION ONE HUNDRED SEVENTY-  
10    EIGHT OF THE TAX LAW.  
11    (B) FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR  
12    AND EACH YEAR THEREAFTER IF A PARCEL IS ENTITLED TO THE BASIC STAR  
13    EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER,  
14    A LOCAL PROPERTY TAX REBATE SHALL BE PROVIDED TO THE OWNER OR  
15    OWNERS OF SUCH PARCEL AS SHOWN ON THE FINAL ASSESSMENT ROLL FOR SUCH  
16    YEAR, IN AN AMOUNT COMPUTED AS PRESCRIBED BY THIS SECTION AND SECTION  
17    ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.  
18    (C) IT SHALL BE THE RESPONSIBILITY OF THE STATE DEPARTMENT OF TAXATION  
19    AND FINANCE TO ISSUE SUCH TAX REBATES TO SUCH OWNERS IN THE MANNER  
20    PROVIDED BY SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW. NOTHING  
21    CONTAINED HEREIN SHALL BE CONSTRUED AS PERMITTING PARTIAL OR INSTALLMENT  
22    PAYMENTS OF TAXES IN A JURISDICTION WHICH HAS NOT AUTHORIZED THE SAME  
23    PURSUANT TO LAW.  
24    2. PROCEDURE. (A) ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND TWELVE  
25    AND EACH YEAR THEREAFTER, THE COMMISSIONER OF TAXATION AND FINANCE, OR  
26    HIS OR HER DESIGNEE, SHALL CREATE A REPORT CONCERNING THOSE PARCELS  
27    WHICH HAVE BEEN GRANTED AN EXCEPTION AUTHORIZED BY SECTION FOUR HUNDRED  
28    TWENTY-FIVE OF THIS CHAPTER, OR ON OR BEFORE JULY FIRST, TWO THOUSAND

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 TWELVE AND EACH YEAR THEREAFTER, IN THE CASE OF A CITY WITH A POPULATION  
2 OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, OR HIS OR HER  
3 DESIGNEE, SHALL PROVIDE TO THE COMMISSIONER OF TAXATION AND FINANCE A  
4 REPORT IN A MUTUALLY AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH  
5 HAVE BEEN GRANTED AN EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWEN-  
6 TY-FIVE OF THIS CHAPTER ON THE ASSESSMENT ROLLS USED TO GENERATE THE  
7 SCHOOL TAX BILLS FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN  
8 SCHOOL TAX YEAR AND FOR EACH YEAR THEREAFTER; PROVIDED HOWEVER THE  
9 INFORMATION TO BE PROVIDED ON SUCH REPORT SHALL BE OBTAINED FROM THE  
10 FINAL ASSESSMENT ROLL DATA FILES USED TO GENERATE THE TWO THOUSAND  
11 TWELVE--TWO THOUSAND THIRTEEN SCHOOL TAX BILLS AND EACH YEAR THEREAFTER,  
12 FILED WITH THE DEPARTMENT OF TAXATION AND FINANCE PURSUANT TO SECTION  
13 FIFTEEN HUNDRED NINETY OF THIS CHAPTER ON OR BEFORE JULY THIRTY-FIRST OF  
14 SUCH YEAR. SUCH REPORT SHALL SET FORTH THE NAMES AND MAILING ADDRESSES  
15 OF THE OWNERS OF SUCH PARCELS AS SHOWN ON SUCH ASSESSMENT ROLL DATA  
16 FILES, THE IDENTIFICATION NUMBERS OF SUCH PARCELS AS SHOWN ON SUCH  
17 ASSESSMENT ROLL DATA FILES, AND SUCH OTHER INFORMATION IN THE POSSESSION  
18 OF THE DEPARTMENT OF TAXATION AND FINANCE, OR IN THE CASE OF A CITY WITH  
19 A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF FINANCE, AS THE  
20 COMMISSIONER OF TAXATION AND FINANCE MAY DEEM NECESSARY FOR THE EFFEC-  
21 TIVE ADMINISTRATION OF THIS PROGRAM, INCLUDING INFORMATION REGARDING  
22 COOPERATIVE APARTMENT BUILDINGS AND MOBILE HOME PARKS OR SIMILAR PROPER-  
23 TY. IT SHALL BE THE RESPONSIBILITY OF THE ASSESSOR OR ASSESSORS OF EACH  
24 ASSESSING UNIT TO ENSURE THAT THE NAMES AND MAILING ADDRESSES OF SUCH  
25 OWNERS ARE ACCURATELY RECORDED ON SUCH ROLLS AND FILES TO THE BEST OF  
26 HIS OR HER ABILITY, BASED UPON THE INFORMATION CONTAINED IN HIS OR HER  
27 OFFICE. NOTHING CONTAINED IN THIS SUBDIVISION SHALL BE CONSTRUED AS  
28 AFFECTING IN ANY WAY THE VALIDITY OR ENFORCEABILITY OF A REAL PROPERTY  
29 TAX, OR THE APPLICABILITY OF INTEREST OR PENALTIES WITH RESPECT THERETO,  
30 WHEN AN OWNER'S NAME OR MAILING ADDRESS HAS NOT BEEN ACCURATELY  
31 RECORDED.

32 (B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-  
33 SION, WHERE AN ASSESSING UNIT CONTAINS ONE OR MORE PROPERTIES WHICH ARE  
34 RECEIVING SUCH EXEMPTION IN RELATION TO A PRIOR YEAR ASSESSMENT ROLL  
35 PURSUANT TO PARAGRAPH (D) OF SUBDIVISION SIX OF SECTION FOUR HUNDRED  
36 TWENTY-FIVE OF THIS CHAPTER, OR CONTAINS ONE OR MORE PARCELS WITH  
37 RESPECT TO WHICH SUCH EXEMPTION WAS DULY ADDED OR REMOVED AFTER THE  
38 FILING OF THE FINAL ASSESSMENT ROLL PURSUANT TO THE PROVISIONS OF TITLE  
39 THREE OF ARTICLE FIVE OF THIS CHAPTER, THE DEPARTMENT OF TAXATION AND  
40 FINANCE MAY REQUIRE THE ASSESSOR TO FILE WITH IT, ON OR BEFORE JULY  
41 THIRTY-FIRST, TWO THOUSAND TWELVE AND EACH YEAR THEREAFTER, OR SUCH  
42 LATER DATE AS SUCH OFFICE MAY SPECIFY, A SUPPLEMENTAL REPORT RELATING TO  
43 SUCH PROPERTY OR PROPERTIES, SO THAT INFORMATION PERTAINING TO THE  
44 OWNERS THEREOF MAY BE INCLUDED IN THE REPORT TO BE MADE TO THE COMMIS-  
45 SIONER OF TAXATION AND FINANCE PURSUANT TO THIS PARAGRAPH. WHEN ANY  
46 INFORMATION REQUIRED BY THIS PARAGRAPH IS RECEIVED BY THE DEPARTMENT OF  
47 TAXATION AND FINANCE AFTER JULY THIRTY-FIRST, TWO THOUSAND TWELVE AND  
48 EACH YEAR THEREAFTER, SUCH INFORMATION SHALL BE TRANSMITTED AS SOON AS  
49 REASONABLY PRACTICABLE FOR USE IN ISSUING LOCAL PROPERTY TAX REBATES  
50 PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX LAW.

51 3. REBATE BASE. (A) THE DEPARTMENT OF TAXATION AND FINANCE SHALL  
52 CALCULATE THE REBATE BASE AS PROVIDED HEREIN AND CERTIFY THE SAME NO  
53 LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN.

54 (B) THREE REBATE BASES FOR THE BASIC STAR EXEMPTION SHALL BE DETER-  
55 MINED FOR EACH SEGMENT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOUR-  
56 TEEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY

1 DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES  
2 OF THE BASIC STAR EXEMPTION FOR THE TWO THOUSAND TWELVE--TWO THOUSAND  
3 THIRTEEN SCHOOL YEAR, MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX  
4 RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THE TWO THOUSAND  
5 TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, AS REPORTED BY THE SCHOOL  
6 DISTRICT, AND THEN MULTIPLYING THE PRODUCT BY THE FOLLOWING:

7 (I) FOR PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN  
8 SCHOOL YEAR AND THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL  
9 YEAR, BY SIXTY PERCENT FOR THE FIRST INCOME BRACKET, FORTY-FIVE PERCENT  
10 FOR THE SECOND INCOME BRACKET AND THIRTY PERCENT FOR THE THIRD INCOME  
11 BRACKET.

12 (II) FOR PURPOSES OF THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN  
13 SCHOOL YEAR, BY SEVENTY PERCENT FOR THE FIRST INCOME BRACKET, FIFTY-TWO  
14 AND ONE-HALF PERCENT FOR THE SECOND INCOME BRACKET, AND THIRTY-FIVE  
15 PERCENT FOR THE THIRD INCOME BRACKET.

16 (III) FOR PURPOSES OF THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN  
17 AND SUBSEQUENT SCHOOL YEARS, BY EIGHTY PERCENT FOR THE FIRST INCOME  
18 BRACKET, SIXTY PERCENT FOR THE SECOND INCOME BRACKET, AND FORTY PERCENT  
19 FOR THE THIRD INCOME BRACKET.

20 (IV) INCOME BRACKETS. (A) IN THE CITY OF NEW YORK, AND THE COUNTIES OF  
21 NASSAU, SUFFOLK, ROCKLAND, WESTCHESTER, PUTNAM, ORANGE AND DUTCHESS, THE  
22 FIRST INCOME BRACKET SHALL BE UP TO AND INCLUDING ONE HUNDRED TWENTY  
23 THOUSAND DOLLARS; THE SECOND INCOME BRACKET SHALL BE OVER ONE HUNDRED  
24 TWENTY THOUSAND DOLLARS UP TO AND INCLUDING ONE HUNDRED SEVENTY-FIVE  
25 THOUSAND DOLLARS; AND THE THIRD INCOME BRACKET SHALL BE OVER ONE HUNDRED  
26 SEVENTY-FIVE THOUSAND DOLLARS UP TO AND INCLUDING TWO HUNDRED FIFTY  
27 THOUSAND DOLLARS.

28 (B) IN ALL OTHER COUNTIES IN THE STATE, THE FIRST INCOME BRACKET SHALL  
29 BE UP TO AND INCLUDING NINETY THOUSAND DOLLARS; THE SECOND INCOME BRACK-  
30 ET SHALL BE OVER NINETY THOUSAND DOLLARS AND UP TO AND INCLUDING ONE  
31 HUNDRED FIFTY THOUSAND DOLLARS; AND THE THIRD INCOME BRACKET SHALL BE  
32 OVER ONE HUNDRED FIFTY THOUSAND DOLLARS AND UP TO AND INCLUDING TWO  
33 HUNDRED FIFTY THOUSAND DOLLARS.

34 (C) SUCH BRACKETS SHALL BE SUBJECT TO INDEXING FOR INFLATION PURSUANT  
35 TO SUBDIVISION FOURTEEN OF SECTION ONE HUNDRED SEVENTY-EIGHT OF THE TAX  
36 LAW.

37 (C) ONE REBATE BASE FOR THE ENHANCED STAR EXEMPTION SHALL BE DETER-  
38 MINED FOR EACH SEGMENT FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIR-  
39 TEEN AND SUBSEQUENT SCHOOL YEARS. SUCH REBATE BASES SHALL BE COMPUTED BY  
40 DETERMINING THE EXEMPT AMOUNT ESTABLISHED FOR THE SEGMENT FOR PURPOSES  
41 OF THE ENHANCED STAR EXEMPTION FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND  
42 TWELVE SCHOOL YEAR, MULTIPLYING THAT AMOUNT BY THE SCHOOL DISTRICT TAX  
43 RATE APPLICABLE WITHIN THAT SEGMENT FOR PURPOSES OF THAT SCHOOL YEAR, AS  
44 REPORTED BY THE SCHOOL DISTRICT, AND THEN MULTIPLYING THE PRODUCT BY THE  
45 FOLLOWING:

46 (I) FOR PURPOSES OF THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN  
47 SCHOOL YEAR, BY TWENTY-FIVE PERCENT.

48 (II) FOR PURPOSES OF THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN  
49 AND SUBSEQUENT SCHOOL YEARS, BY THIRTY-FIVE PERCENT.

50 (D) FOR PURPOSES OF THIS SECTION, THE TERM "SEGMENT" MEANS THE PART OF  
51 A CITY OR TOWN THAT IS WITHIN A SCHOOL DISTRICT.

52 (E) IN THE CASE OF SCHOOL DISTRICTS WITHIN SPECIAL ASSESSING UNITS AS  
53 DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE SCHOOL  
54 DISTRICT TAX RATE TO BE USED FOR THIS PURPOSE SHALL BE THE TAX RATE  
55 APPLICABLE TO CLASS ONE PROPERTIES AS DEFINED IN ARTICLE EIGHTEEN OF  
56 THIS CHAPTER, AS REPORTED BY THE SCHOOL DISTRICT AND THE EXEMPT AMOUNT

1 SHALL BE ESTABLISHED FOR THE SEGMENT. IN THE CASE OF SCHOOL DISTRICTS  
2 WITHIN APPROVED ASSESSING UNITS AS DEFINED IN SECTION NINETEEN HUNDRED  
3 ONE OF THIS CHAPTER WHICH HAVE ADOPTED THE PROVISIONS OF SECTION NINE-  
4 TEEN HUNDRED THREE OF THIS CHAPTER, THE SCHOOL DISTRICT TAX RATE TO BE  
5 USED FOR THIS PURPOSE SHALL BE THE TAX RATE APPLICABLE TO THE HOMESTEAD  
6 CLASS, AS DEFINED IN ARTICLE NINETEEN OF THIS CHAPTER, AS REPORTED BY  
7 THE SCHOOL DISTRICT.

8 (F) WHERE THE PROVISIONS OF SUBPARAGRAPH (IV) OF PARAGRAPH (K) OF  
9 SUBDIVISION TWO OF SECTION FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER ARE  
10 APPLICABLE, THE APPLICABLE REBATE AMOUNT SHALL BE ONE-THIRD OF THE  
11 OTHERWISE APPLICABLE REBATE AMOUNT SET FORTH IN PARAGRAPH (B) OR (C) OF  
12 THIS SUBDIVISION. THE DEPARTMENT OF TAXATION AND FINANCE SHALL CALCULATE  
13 AND CERTIFY THE REBATE AMOUNTS APPLICABLE IN SUCH CASES, ALONG WITH THE  
14 CERTIFICATION REQUIRED BY PARAGRAPH (A) OF THIS SUBDIVISION.

15 S 2. The tax law is amended by adding a new section 178 to read as  
16 follows:

17 S 178. "MIDDLE CLASS STAR" REBATE PROGRAM. 1. THE COMMISSIONER SHALL  
18 ISSUE THE LOCAL PROPERTY TAX REBATES AUTHORIZED BY SECTION THIRTEEN  
19 HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW. FOR PURPOSES OF THIS SECTION  
20 THE REBATE SHALL BE CALCULATED USING THE COMPUTATION FORMULA SET FORTH  
21 IN SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROP-  
22 erty TAX LAW. PROVIDED, HOWEVER, SUCH REBATES SHALL NOT BE ISSUED IN ANY  
23 YEAR IN WHICH AN APPROPRIATION TO PAY SUCH REBATES HAS NOT BEEN INCLUDED  
24 IN THE ENACTED STATE BUDGET FOR SUCH YEAR.

25 2. ON OR BEFORE AUGUST FIFTEENTH, TWO THOUSAND TWELVE AND EACH YEAR  
26 THEREAFTER, THE COMMISSIONER, OR HIS OR HER DESIGNEE, SHALL CREATE A  
27 REPORT CONCERNING THOSE PARCELS WHICH SATISFY THE CRITERIA SET FORTH IN  
28 SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW, OR ON OR  
29 BEFORE JULY FIRST, TWO THOUSAND TWELVE AND EACH YEAR THEREAFTER IN THE  
30 CASE OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSION-  
31 ER OF FINANCE, SHALL PROVIDE TO THE COMMISSIONER A REPORT IN A MUTUALLY  
32 AGREEABLE FORMAT CONCERNING THOSE PARCELS WHICH SATISFY THE CRITERIA SET  
33 FORTH IN SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW.

34 3. THE COMMISSIONER IN CONSULTATION WITH THE COMMISSIONER OF FINANCE,  
35 FOR A CITY WITH A POPULATION OF ONE MILLION OR MORE, IS AUTHORIZED TO  
36 DEVELOP PROCEDURES NECESSARY TO PROVIDE FOR THE ISSUANCE OF LOCAL PROP-  
37 erty TAX REBATES TO QUALIFYING PROPERTY OWNERS, AND THOSE QUALIFYING  
38 PROPERTY OWNERS THAT DID NOT RECEIVE THEM INITIALLY. IF THE COMMISSIONER  
39 IS NOT SATISFIED THAT THE PROPERTY OWNER IS QUALIFIED FOR THE LOCAL  
40 PROPERTY TAX REBATE, THE COMMISSIONER SHALL NOT ISSUE SUCH REBATE.

41 4. BY DEPOSITING A REBATE ISSUED PURSUANT TO THIS SECTION AND AUTHOR-  
42 IZED BY SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY TAX LAW, THE  
43 PAYEE IS CERTIFYING THAT HE OR SHE IS THE PROPERTY OWNER, AND THAT THE  
44 PRIMARY RESIDENCE OF SUCH PROPERTY OWNER IS NOT SUBJECT TO ANY DELIN-  
45 QUENT SCHOOL TAXES.

46 5. VERIFICATION OF "AFFILIATED INCOME" FOR "MIDDLE CLASS STAR" REBATE  
47 PROGRAM. (A) THE DETERMINATION OF THE "AFFILIATED INCOME" OF PARCELS FOR  
48 PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM AS AUTHORIZED BY  
49 SUBDIVISION THREE OF SECTION THIRTEEN HUNDRED SIX-B OF THE REAL PROPERTY  
50 TAX LAW SHALL BE MADE AS PROVIDED BY THIS SECTION.

51 (B) FOR PURPOSES OF THIS SUBDIVISION, THE TERM "INCOME" SHALL HAVE THE  
52 SAME MEANING AS SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (B) OF  
53 SUBDIVISION FOUR OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROP-  
54 erty TAX LAW. THE TERM "AFFILIATED INCOME" SHALL MEAN THE COMBINED INCOME  
55 OF ALL OF THE OWNERS OF THE PARCEL WHO RESIDED PRIMARILY THEREON ON THE  
56 TAXABLE STATUS DATE FOR THE ASSESSMENT ROLL USED TO GENERATE THE APPLI-

1 CABLE SCHOOL TAX BILLS, AND OF ANY OWNERS' SPOUSES FILING JOINTLY OR  
2 SPOUSES RESIDING PRIMARILY THEREON IN THE CASES OF SPOUSES FILING SEPA-  
3 RATE RETURNS ON SUCH TAXABLE STATUS DATE AND SHALL BE DETERMINED AS  
4 FOLLOWS:

5 (I) FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR,  
6 AFFILIATED INCOME SHALL BE DETERMINED BASED UPON THE PARTIES' INCOMES  
7 FOR THE INCOME TAX YEAR ENDING IN TWO THOUSAND ELEVEN. IN EACH SUBSE-  
8 QUENT YEAR, THE APPLICABLE INCOME TAX YEAR SHALL BE ADVANCED BY ONE  
9 YEAR.

10 (II) THE DEPARTMENT SHALL DETERMINE THE AFFILIATED INCOME FOR EACH  
11 PARCEL AND SHALL ASSIGN A REBATE AMOUNT FOR EACH PARCEL BASED UPON SUCH  
12 DETERMINATION. IN ANY CASE WHERE AFFILIATED INCOME CANNOT BE DETERMINED,  
13 A REBATE SHALL NOT BE ISSUED.

14 6. NOTIFICATION REQUIREMENT. THE DEPARTMENT SHALL MAIL INFORMATION  
15 CONCERNING THE "MIDDLE CLASS STAR" REBATE PROGRAM TO OWNERS OF PARCELS  
16 RECEIVING A BASIC STAR EXEMPTION ON THE ASSESSMENT ROLL USED TO GENERATE  
17 THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL TAX BILL. SUCH  
18 NOTIFICATION SHALL EXPLAIN THAT PROPERTY OWNERS MUST FILE APPLICATIONS  
19 WITH THE DEPARTMENT IN ORDER TO OBTAIN THE REBATE AVAILABLE UNDER THE  
20 "MIDDLE CLASS STAR" REBATE PROGRAM. SUCH NOTICE SHALL FURTHER EXPLAIN  
21 HOW TO OBTAIN THE APPLICATION.

22 7. APPLICATIONS. (A) IN ORDER TO OBTAIN THE BENEFITS OF THE "MIDDLE  
23 CLASS STAR" REBATE PROGRAM, THE PROPERTY OWNER MUST SUBMIT AN APPLICA-  
24 TION TO THE DEPARTMENT NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND  
25 THIRTEEN. THE APPLICANT SHALL PROVIDE THE DEPARTMENT WITH SUCH INFORMA-  
26 TION AS MAY BE NECESSARY TO DETERMINE THE PARCEL'S AFFILIATED INCOME.  
27 THE PERSONS OTHER THAN THE APPLICANT WHOSE INCOMES ARE NECESSARY TO THE  
28 DETERMINATION OF THE PARCEL'S AFFILIATED INCOME SHALL BE REFERRED TO IN  
29 THIS SECTION AS "AFFILIATED PERSONS." RECIPIENTS OF THE ENHANCED STAR  
30 EXEMPTION SHALL NOT FILE AN APPLICATION TO RECEIVE A REBATE. THE DEPART-  
31 MENT SHALL MAIL ENHANCED STAR REBATE RECIPIENTS THEIR REBATES IN A TIME-  
32 LY MANNER.

33 (B) IF THE APPLICANT OR ANY AFFILIATED PERSONS WERE NOT REQUIRED TO  
34 FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND TEN INCOME  
35 TAX YEAR BECAUSE THEIR INCOMES WERE BELOW THE THRESHOLD THAT NECESSI-  
36 TATED SUCH FILING, THE APPLICATION SHALL SO INDICATE.

37 (C) IF THE APPLICANT OR ANY AFFILIATED PERSONS WERE NOT REQUIRED TO  
38 FILE NEW YORK STATE INCOME TAX RETURNS FOR THE TWO THOUSAND ELEVEN  
39 INCOME TAX YEAR BECAUSE THEY DID NOT RESIDE IN NEW YORK STATE IN SUCH  
40 TAXABLE YEAR, THE APPLICATION SHALL SO INDICATE. SUCH PERSONS SHALL  
41 PROVIDE WITH THE APPLICATION ANY INFORMATION THAT THE DEPARTMENT DETER-  
42 MINES IS NECESSARY TO CALCULATE THE PARCEL'S AFFILIATED INCOME UNDER THE  
43 "MIDDLE CLASS STAR" REBATE PROGRAM.

44 (D) AFTER TWO THOUSAND THIRTEEN, APPLICATIONS SHALL BE REQUIRED ONLY  
45 WHEN A NEW APPLICATION FOR A BASIC STAR EXEMPTION FOR REAL PROPERTY  
46 TAXATION IS FILED PURSUANT TO SECTION FOUR HUNDRED TWENTY-FIVE OF THE  
47 REAL PROPERTY TAX LAW, OR WHEN THERE IS A CHANGE OF OWNERSHIP WHICH DOES  
48 NOT NECESSITATE THE FILING OF A NEW APPLICATION FOR A BASIC STAR  
49 EXEMPTION. IN EITHER INSTANCE, AN APPLICATION SHALL BE SUBMITTED TO THE  
50 DEPARTMENT ON A TIMELY BASIS.

51 (E) IF AN APPLICATION FOR A "MIDDLE CLASS STAR" REBATE IS RECEIVED  
52 AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND THIRTEEN, AN OTHERWISE ELIGI-  
53 BLE PROPERTY OWNER SHALL NOT RECEIVE A REBATE FOR SUCH YEAR. HOWEVER,  
54 SUCH APPLICATION SHALL BE CONSIDERED TIMELY FILED FOR A REBATE IN SUBSE-  
55 QUENT YEARS PROVIDED THE OWNERSHIP OF THE PARCEL REMAINS UNCHANGED.

1 8. PROCESSING OF APPLICATIONS. (A) AFTER RECEIVING A TIMELY APPLICA-  
2 TION, THE DEPARTMENT SHALL ATTEMPT TO DETERMINE THE AFFILIATED INCOME OF  
3 THE PARCEL AND THE REBATE AMOUNT TO WHICH THE PARCEL IS ENTITLED, IF  
4 ANY.

5 (B) IN THE CASE OF AN APPLICATION WHICH INDICATES THAT THE APPLICANT  
6 AND ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE  
7 INCOME TAX RETURNS FOR THE TWO THOUSAND ELEVEN INCOME TAX YEAR BECAUSE  
8 THEIR INCOMES WERE BELOW THE THRESHOLD WHICH NECESSITATED THE FILING OF  
9 A STATE INCOME TAX RETURN, THE DEPARTMENT MAY, SUBJECT TO AUDIT, ISSUE A  
10 REBATE EQUAL TO THE HIGHEST AMOUNT AVAILABLE FOR THAT SCHOOL DISTRICT  
11 SEGMENT.

12 (C) IN THE CASE OF AN APPLICATION WHICH INDICATES THAT THE APPLICANT  
13 AND ANY AFFILIATED PERSONS WERE NOT REQUIRED TO FILE NEW YORK STATE  
14 INCOME TAX RETURNS FOR THE TWO THOUSAND ELEVEN INCOME TAX YEAR BECAUSE  
15 THEY DID NOT RESIDE IN NEW YORK STATE IN SUCH TAXABLE YEAR, THE APPLI-  
16 CANT SHALL PROVIDE SUCH INFORMATION REGARDING INCOME AS IS REQUESTED BY  
17 THE DEPARTMENT. THE DEPARTMENT SHALL ISSUE A REBATE BASED UPON THE  
18 INFORMATION PROVIDED BY THE APPLICANT AND ANY OTHER INFORMATION TO WHICH  
19 THE DEPARTMENT MAY HAVE ACCESS CONCERNING THE INCOME OF SUCH PERSON OR  
20 PERSONS.

21 9. RECONSIDERATION OF REBATE AMOUNT. IN THE EVENT THE DEPARTMENT IS  
22 UNABLE TO DETERMINE THE AFFILIATED INCOME FOR A PARCEL OR THE DEPARTMENT  
23 DETERMINES THAT A REBATE SHALL NOT BE ISSUED FOR A PARCEL, THE DEPART-  
24 MENT SHALL NOTIFY THE APPLICANT OF THAT FACT. A PROPERTY OWNER MAY SEEK  
25 RECONSIDERATION OF THE REBATE AMOUNT DETERMINATION FOR HIS OR HER PARCEL  
26 ON THE GROUNDS THAT THE PARCEL'S AFFILIATED INCOME WAS DETERMINED ERRO-  
27 NEOUSLY. A PROPERTY OWNER MAY ALSO SEEK RECONSIDERATION IF NO REBATE WAS  
28 ISSUED BECAUSE THE PARCEL'S AFFILIATED INCOME WAS UNDETERMINED. AN  
29 APPLICATION FOR RECONSIDERATION OF REBATE AMOUNT SHALL BE MADE IN A  
30 MANNER PRESCRIBED BY THE DEPARTMENT, AND SHALL BE ACCOMPANIED BY SUCH  
31 DOCUMENTATION AS THE DEPARTMENT MAY REQUIRE. SUCH APPLICATION SHALL BE  
32 FILED NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND FOURTEEN. IF THE  
33 DEPARTMENT FINDS AFTER REVIEWING SUCH AN APPLICATION THAT THE REBATE  
34 AMOUNT DETERMINATION FOR A PARCEL SHOULD BE CORRECTED, IT SHALL ISSUE AN  
35 AMENDED OR INITIAL REBATE CHECK. IF THE DEPARTMENT FINDS AFTER REVIEWING  
36 SUCH AN APPLICATION THAT THE REBATE AMOUNT DETERMINATION FOR THE PARCEL  
37 WAS CORRECTLY DETERMINED, IT SHALL SO NOTIFY THE APPLICANT. SUCH NOTIFI-  
38 CATION SHALL INCLUDE AN EXPLANATION OF THE DEPARTMENT'S FINDINGS, INDI-  
39 CATE THAT THE APPLICANT HAS THE RIGHT TO A PROCEEDING UNDER ARTICLE  
40 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES, AND INDICATE THE  
41 STATUTE OF LIMITATIONS ASSOCIATED WITH SUCH PROCEEDINGS. SUCH FINDING  
42 SHALL BE SUBJECT TO REVIEW PURSUANT ONLY TO A PROCEEDING UNDER ARTICLE  
43 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

44 10. SPECIAL PROVISIONS RELATING TO CO-OPERATIVE APARTMENT UNITS AND  
45 MOBILE HOMES. THE DEPARTMENT'S DETERMINATION OF AFFILIATED INCOME SHALL  
46 BE MADE WITH RESPECT TO THE TENANT-SHAREHOLDERS OR OWNERS OF THE UNIT IN  
47 QUESTION RATHER THAN OF THE PARCEL.

48 11. SUBSEQUENT YEARS. IN EACH YEAR SUBSEQUENT TO TWO THOUSAND THIR-  
49 TEEN, AFFILIATED INCOMES SHALL CONTINUE TO BE DETERMINED AS PROVIDED BY  
50 THIS SECTION FOR PURPOSES OF THE "MIDDLE CLASS STAR" REBATE PROGRAM,  
51 EXCEPT THAT:

52 (A) THE NOTIFICATION REQUIREMENT OF SUBDIVISION SIX OF THIS SECTION  
53 SHALL NOT BE APPLICABLE;

54 (B) APPLICATIONS SHALL BE REQUIRED ONLY AS PROVIDED IN SUBDIVISION  
55 SEVEN OF THIS SECTION; AND

(C) IN EACH SUBSEQUENT YEAR, THE APPLICABLE INCOME TAX YEAR FOR DETERMINATIONS UNDER THIS SECTION SHALL BE ADVANCED ONE YEAR. ALL OTHER APPLICABLE DATES AND DEADLINES WHICH REFERENCE A DATE IN TWO THOUSAND THIRTEEN SHALL BE ADVANCED AND SHALL BE DEEMED TO REFERENCE DATES IN THAT SUBSEQUENT YEAR, EXCEPT THAT APPLICATIONS FOR RECONSIDERATION OF REBATE AMOUNT DETERMINATIONS SHALL BE SUBMITTED NO LATER THAN MARCH THIRTY-FIRST OF THE ENSUING YEAR.

12. CONFIDENTIAL INFORMATION; DISCLOSURE PROHIBITION. INFORMATION REGARDING REBATES ISSUED TO INDIVIDUALS SHALL NOT BE SUBJECT TO DISCLOSURE; INCLUDING NAMES, ADDRESSES, AND DOLLAR AMOUNTS OF REBATES. IN ADDITION, ALL APPLICATIONS SUBMITTED FOR REBATES SHALL NOT BE SUBJECT TO DISCLOSURE.

13. DEADLINE. IF ANY APPLICABLE DEADLINE SHALL FALL ON A SATURDAY, SUNDAY OR LEGAL HOLIDAY, SUCH DEADLINE SHALL BE ADVANCED TO THE NEXT BUSINESS DAY.

14. AFFILIATED INCOME BRACKETS; INDEXING. THE DEPARTMENT SHALL ESTABLISH THE AFFILIATED INCOME BRACKETS TO BE ASSOCIATED WITH THE REBATE AMOUNTS FOR THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN SCHOOL YEAR AND EACH SCHOOL YEAR THEREAFTER BY APPLYING THE INFLATION FACTOR SET FORTH IN THIS SUBDIVISION TO THE FIGURES THAT DEFINED THE INCOME BRACKETS THAT WERE APPLICABLE TO THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR, AND ROUNDING EACH RESULT TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. FOR PURPOSES OF THIS SUBDIVISION, THE "INFLATION FACTOR" FOR EACH INCOME BRACKET SHALL BE DETERMINED BY THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (CPI-W) PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, FOR THE THIRD QUARTER OF THE CALENDAR YEAR PRECEDING THE APPLICABLE SCHOOL YEAR, AS COMPARED TO THE THIRD QUARTER OF THE PRIOR CALENDAR YEAR. IF A BASE FIGURE AS SO DETERMINED IS NOT EXACTLY EQUAL TO A MULTIPLE OF ONE HUNDRED DOLLARS, IT SHALL BE ROUNDED TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. IN EACH SUBSEQUENT SCHOOL YEAR, THE PRIOR YEAR'S INCOME BRACKETS SHALL BE INDEXED USING THE ABOVE FORMULA WITH EACH YEAR ADVANCED BY ONE YEAR.

S 3. Section 606 of the tax law is amended by adding a new subsection (n-1) to read as follows:

(N-1) SCHOOL DISTRICT PROPERTY TAX CREDIT. (1) IN ANY TAXABLE YEAR IN WHICH TAXPAYERS ARE NOT ELIGIBLE TO RECEIVE REBATES PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THIS CHAPTER SOLELY BECAUSE AN APPROPRIATION TO PAY SUCH REBATES WAS NOT INCLUDED IN THE ENACTED STATE BUDGET, FOR SUCH YEAR, THE CREDIT ALLOWED BY THIS SUBSECTION SHALL APPLY.

(2) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND TWELVE IF THE CREDIT IS APPLICABLE IN SUCH YEAR, A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE REBATE CHECK CALCULATED PURSUANT TO SECTION ONE HUNDRED SEVENTY-EIGHT OF THIS CHAPTER.

(3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

(4) (A) TAXPAYERS WHO WOULD HAVE QUALIFIED FOR THE CREDIT UNDER THIS SUBSECTION FOR TAXABLE YEAR TWO THOUSAND ELEVEN, HAD SUCH CREDIT BEEN AUTHORIZED IN SUCH TAXABLE YEAR, SHALL BE TREATED AS HAVING MADE A PAYMENT AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR SUCH TAXABLE YEAR IN AN AMOUNT EQUAL TO SUCH CREDIT FOR SUCH TAXABLE YEAR. SUCH PAYMENT SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE REFUNDED AS SOON AS PRACTICA-

1 BLE, BUT NOT LONGER THAN FORTY-FIVE DAYS FROM FILING A CLAIM FOR A  
2 REFUND, IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHT-  
3 Y-SIX OF THIS ARTICLE, PROVIDED, HOWEVER THAT NO INTEREST SHALL BE PAID  
4 THEREON. ALL QUALIFIED TAXPAYERS MAY SUBMIT A CLAIM FOR AN ADVANCE  
5 PAYMENT OF SUCH REFUND ON FORMS PREPARED BY THE DEPARTMENT, PROVIDED  
6 SUCH FORMS ARE FILED WITH THE DEPARTMENT ON OR BEFORE AUGUST  
7 THIRTY-FIRST, TWO THOUSAND TWELVE.

8 (B) THE AMOUNT OF THE CREDIT WHICH IS ALLOWED UNDER THIS SUBSECTION  
9 FOR THE TAXPAYER'S TAXABLE YEAR BEGINNING IN TWO THOUSAND TWELVE SHALL  
10 BE REDUCED BY THE PAYMENTS MADE TO THE TAXPAYER UNDER THIS SUBSECTION.  
11 ANY FAILURE TO SO REDUCE THE CREDIT SHALL BE TREATED AS ARISING OUT OF A  
12 MATHEMATICAL OR CLERICAL ERROR AND ASSESSED ACCORDING TO SUBSECTION (D)  
13 OF SECTION SIX HUNDRED EIGHTY-ONE OF THIS ARTICLE.

14 (C) ANY FAILURE TO APPLY FOR AN ADVANCE PAYMENT SHALL NOT IMPAIR A  
15 TAXPAYER'S ABILITY TO APPLY FOR THE CREDIT UPON FILING THEIR RETURN FOR  
16 SUCH TAX YEAR.

17 (5) IF THE COMMISSIONER DETERMINES IT TO BE NECESSARY FOR PROPER  
18 ADMINISTRATION OF THE CREDIT ALLOWED UNDER THIS SUBSECTION, THE COUNTY  
19 DIRECTOR OF REAL PROPERTY TAX SERVICES OF ANY COUNTY, OR IN THE CASE OF  
20 A CITY WITH A POPULATION OF ONE MILLION OR MORE, THE COMMISSIONER OF  
21 FINANCE, UPON THE REQUEST OF THE COMMISSIONER, SHALL FILE A REPORT WITH  
22 THE OFFICE OF REAL PROPERTY SERVICES IDENTIFYING ALL PARCELS IN THE  
23 COUNTY OR IN THE CITY ON WHICH SCHOOL TAXES FOR THE PRIOR SCHOOL YEAR  
24 REMAINED UNPAID AS OF JUNE THIRTIETH OF SUCH PRIOR SCHOOL YEAR, PROVIDED  
25 THAT PARCELS NOT RECEIVING THE BASIC OR ENHANCED STAR EXEMPTION SHALL BE  
26 EXCLUDED FROM SUCH LIST. SUCH COUNTY DIRECTOR SHALL OBTAIN FROM THE TAX  
27 COLLECTING OFFICERS AND TAX ENFORCEMENT OFFICERS WITHIN THE COUNTY SUCH  
28 INFORMATION AS HE OR SHE MAY NEED TO PREPARE SUCH LIST. SUCH LIST SHALL  
29 BE PREPARED IN A FORMAT PRESCRIBED BY THE COMMISSIONER.

30 (6) IF THE SCHOOL PROPERTY TAXES TO WHICH THE CREDIT RELATES ARE NOT  
31 PAID, THE CREDIT ALLOWED WITH RESPECT TO SUCH PROPERTY TAXES MUST BE  
32 ADDED BACK IN THE TAX YEAR IN WHICH SUCH CREDIT WAS CLAIMED.

33 (7) ONLY ONE CREDIT PER RESIDENCE SHALL BE ALLOWED PER TAXABLE YEAR  
34 UNDER THIS SUBSECTION. WHEN TWO OR MORE MEMBERS OF A RESIDENCE ARE ABLE  
35 TO MEET THE QUALIFICATIONS FOR A QUALIFIED TAXPAYER, THE CREDIT SHALL BE  
36 EQUALLY DIVIDED BETWEEN OR AMONG SUCH INDIVIDUALS.

37 HUSBAND AND WIFE. IN THE CASE OF A HUSBAND AND WIFE WHO FILE A JOINT  
38 FEDERAL RETURN BUT WHO ARE REQUIRED TO DETERMINE THEIR NEW YORK TAXES  
39 SEPARATELY, THE CREDIT ALLOWED PURSUANT TO THIS SUBSECTION MAY BE  
40 APPLIED AGAINST THE TAX OF EITHER OR DIVIDED BETWEEN THEM AS THEY MAY  
41 ELECT.

42 S 4. This act shall take effect immediately.